

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
PRIORITY MAIL
PRIORITY MAIL CONTRACT 78

Docket No. MC2014-19

COMPETITIVE PRODUCT PRICES
PRIORITY MAIL CONTRACT 78 (MC2014-19)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2014-32

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
REQUEST FOR SUPPLEMENTAL INFORMATION**
(March 5, 2014)

The United States Postal Service hereby provides its response to the Commission's request for supplemental information contained in Order No. 1998 (issued February 27, 2014). A response was due no later than March 5, 2014. Each question is reprinted in the attached, and is followed by the Postal Service's response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE
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March 5, 2014

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
REQUEST FOR SUPPLEMENTAL INFORMATION

REQUEST:

- a) The Postal Service is requested to specify whether prices will be adjusted pursuant to section I.H.1. of the contract during Quarter 4 of the first contract year.
- b) The Postal Service is also requested to confirm that prices will be adjusted pursuant to section I.H.1. of the contract during Quarter 4 of the second and third contract years.
- c) Finally, the Postal Service is requested to confirm that the second paragraph of section III of the contract is intended to refer to the escalation clause in section I.G. and I.H. of the contract (which establish subsequent year prices and an annual adjustment mechanism, respectively) rather than section I.E. and I.F (which establish contract quarters and first-year prices, respectively).

RESPONSE:

- a) Confirmed that prices will be adjusted pursuant to section I.H.1 of the contract during Quarter 4 of the first contract year.
- b) Confirmed that prices will be adjusted pursuant to section I.H.1. of the contract during Quarter 4 of the second and third contract years.
- c) Confirmed that the second paragraph of section III of the contract is intended to refer to the escalation clause in section I.G and I.H.